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August 29, 2005

VIA EMAIL & HAND DELIVERY

Mr. Charles Terreni, Chief Clerk Public Service Commission of South Carolina Post Office Drawer 11649 Columbia, South Carolina 29211

> Matrix Telecom, Inc - Gloval Crossing Asset Transfer Re:

> > Docket No. 2005-75-C Our File No. 30062-0001

Dear Mr. Terreni:

Enclosed for filing on behalf of Matrix Telecom, Inc. please find a Motion for Expedited Review of the Application of Matrix Telecom, Inc. and Global Crossing Telecommunications, Inc.; Global Crossing Local Services, Inc.; and Global Crossing Telemanagement, Inc. for approval to transfer certain assets. The Office of Regulatory Staff and Global Crossing have consented to the motion. By copy of this letter, I am serving the same on all parties of record. Please stamp the extra copies provided as proof of filing and return them with our courier.

Very truly yours,

ROBINSON, McFadden & Moore, P.C.

Bonnie D. Shealy

/bds enclosure

Greg Taylor, Vice President & General Counsel (via email & U.S. Mail) cc/enc:

Florence Belser, General Counsel ORS (via email & U.S. Mail)

Mr. Dan Arnett, Chief of Staff ORS (via email & U.S. Mail)

Michael J. Shortley, III, Vice President & General Counsel (via email & U.S. Mail)

Jeffrey Marks, Esquire (via email & U.S. Mail)

Ms. Daphne Duke (via email)

BEFORE THE PUBLIC SERVICE COMMISION OF SOUTH CAROLINA

Docket No. 2005-75-C

Joint Application of	E		0
Matrix Telecom, Inc.; and Global Crossing Telecommunications, Inc.; Global Crossing Local Services, Inc.; and Global Crossing)	Matrix Telecom, Inc.'s Motion		
Telemanagement, Inc.) for Expedited Approval of the)	for Expedited Review of Application	efroncelege F → Contage 4 th through	i con
Transfer of Certain Assets and a Waiver) Of Applicable Anti-Slamming) Regulations)	***	তি	

The Applicant Matrix Telecom, Inc. ("Matrix") hereby moves pursuant to 26 S.C. Regs. 103-820, 103-840, and other applicable rules of practice and procedure of the Public Service Commission of South Carolina ("Commission") that the hearing requirement to approve the transfer of certain assets from Global Crossing Telecommunications, Inc.; Global Crossing Local Services, Inc.; and Global Crossing Telemanagement, Inc. (collectively "Global Crossing") be waived. In support of this motion, Matrix would show the following:

1. As described in detail in the Application, the Applicants seek the Commission's approval to transfer certain assets and assume certain liabilities relating to Global Crossing's Small Business Group to Matrix and a waiver of the applicable anti-slamming regulations to the extent required. Global Crossing's Small Business Group customer base will continue to receive the same high quality service, at the same rates, and under the same terms and conditions. Global Crossing will retain its authority to provide telecommunications services to continue to serve its other customers in South Carolina.

2. Matrix published the notice of filing of the application as required by the Commission. The deadline for filing petitions to intervene in the proceeding was May 16, 2005, and no comments or petitions to intervene have been filed.

3. The Office of Regulatory Staff and Global Crossing do not oppose the application and have consented to the motion. Since no intervenors filed petitions in the proceeding, Matrix respectfully requests that the Commission waive the hearing requirement and process this application without a formal hearing. The South Carolina Administrative Procedures Act provides the Commission with flexibility in regard to hearings for contested cases. "Unless precluded by law, informal disposition may be made of any contested case by stipulation, agreed settlement, consent order or default." S.C. Code § 1-23-320(f).

4. Attached to this motion as Exhibit 1 is the verified testimony of Dennis Smith, President of Matrix Telecom, Inc. This testimony further describes the asset transfer and its negligible effect on South Carolina customers.

WHEREFORE, Matrix Telecom, Inc. respectfully requests that the Commission waive its hearing requirement and approve the transfer of assets.

Dated this <u>29</u>th day of <u>August</u>, 2005.

ROBINSON, McFADDEN & MOORE, P.C.

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Attorneys for Matrix Telecom, Inc.

WE CONSENT:

OFFICE OF REGULATORY STAFF

Florence Belser, General Counsel

Post Office Box 11263

Columbia, South Carolina 29211

Telephone (803) 737-0800

LATHAM & WATKINS, LLP

By:_____

Teresa D. Baer Jeffrey A. Marks 555 Eleventh Street, NW, Suite 1000 Washington, DC 20004-1304

Telephone: (202) 637-2200 Facsimile: (202) 637 2201

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WE CONSENT:

OFFICE OF REGULATORY STAFF

Florence Belser, General Counsel Post Office Box 11263 Columbia, South Carolina 29211 Telephone (803) 737-0800

GLOBAL CROSSING TELECOMMUNICATIONS, INC., GLOBAL CROSSING LOCAL SERVICES, INC., and GLOBAL CROSSING TELEMANAGEMENT, INC.

By: Michael J. Shortley, III

Vice President & General Counsel -

North America

1080 Pittsford-Victor Road

Pittsford, New York 14534

Telephone: (585) 255-1429 Facsimile: (585) 381-6781

michael.shortley@globalcrossing.com

EXHIBIT 1

BEFORE THE PUBLIC SERVICE COMMISION OF SOUTH CAROLINA

Docket No. 2005-75-C

Joint Application of)
)
Matrix Telecom, Inc.; and)
Global Crossing Telecommunications,)
Inc.; Global Crossing Local Services,)
Inc.; and Global Crossing)
Telemanagement, Inc.)
for Expedited Approval of the)
Transfer of Certain Assets and a Waiver)
Of Applicable Anti-Slamming)
Regulations)
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TESTIMONY OF DENNIS SMITH ON BEHALF OF MATRIX TELECOM, INC.

- 1 Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.
- 2 A. My name is Dennis Smith, President of Matrix Telecom, Inc. ("Matrix"). My business
- address is 300 North Meridian, Oklahoma City, Oklahoma 73107.
- 4 Q. WHO ARE THE APPLICANTS?

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- 5 A. Matrix and Global Crossing Telecommunications, Inc.; Global Crossing Local Services,
- Inc.; and Global Crossing Telemanagement, Inc. (collectively "Global Crossing").
- 7 Q. PLEASE BRIEFLY DESCRIBE THE APPLICANTS.
- Matrix is a Texas corporation that provides local and long distance services to business and residential customers. The Commission authorized Matrix to offer intrastate interexchange telecommunications services to customers in Order No. 90-1176. The Commission recently approved Matrix's application for authority to provide local services in Docket No. 2005-98-C. The local certification order has not yet been issued.

According the Commission's Docketing Website, Global Crossing Telecommunications, Inc. was originally certificated in Docket No. 91-335-C as Allnet Communications Services, Inc. to provide long distance services, in Order No. 1991-753. In Order No. 2000-176 the Commission approved the name change to Global Crossing Telecommunications, Inc.

According the Commission's Docketing Website, Global Crossing Local Services, Inc. provides facilities-based local exchange services and was certificated in Docket No. 1999-329-C, Order No. 1999-804.

According the Commission's Docketing Website, Global Crossing Telemanagement, Inc. provides resale-based competitive local exchange services and was originally certificated in Docket No. 1997-445-C, Order No. 1998-19, as Frontier

- 1 Telemanagement Inc. The Commission approved the name change to Global Crossing
- Telemanagement in Order No. 1999-867.
- 3 Q. WHOM DO YOU REPRESENT?
- 4 A. I represent Matrix Telecom, Inc.
- 5 Q. ARE YOU FAMILIAR WITH THE APPLICATION SUBMITTED TO THIS
- 6 COMMISSION?
- 7 A. Yes, I am.
- 8 Q. WHAT IS THE AUTHORITY THAT THE APPLICANTS SEEK?
- 9 A. The applicants seek authority from the Commission to transfer certain assets from Global
- 10 Crossing to Matrix and a waiver of applicable anti-slamming regulations to the extent
- 11 required.
- 12 Q. CAN YOU BRIEFLY OUTLINE THE TRANSACTION FOR WHICH THE
- 13 APPLICANTS SEEK THE COMMISSION'S APPROVAL.
- 14 A. On March 19, 2005, Global Crossing and Matrix entered into an Asset Purchase
- Agreement which provided that Matrix would purchase certain assets and assume certain
- liabilities relating to Global Crossing's Small Business Group. Global Crossing's Small
- Business Group provides voice and data products to small and medium sized business
- enterprises in the United States. Once complete, Matrix would provide the same services
- to Global Crossing's Small Business Group customers. Global Crossing would continue
- 20 to serve its other South Carolina customers.
- 21 Q. WHAT IMPACT WILL THIS TRANSACTION HAVE ON GLOBAL CROSSING'S
- 22 SOUTH CAROLINA SMALL BUSINES GROUP CUSTOMERS?
- 23 A. The proposed transfer of assets will not adversely affect the provision of
- 24 telecommunications services to Global Crossing's customers. The Small Business Group

customers will continue to receive their existing services under the same rates, terms and conditions and any future changes of those services will be made consistent with Commission requirements. In accordance with applicable FCC and South Carolina carrier change requirements, advance written notice will be sent to affected Global Crossing customers at least thirty days prior to the transfer informing them of the proposed transaction and giving them an opportunity to switch to another service provider. A copy of the proposed notice to customers is attached as Exhibit B of the application and incorporated by reference.

9 Q. WHY HAVE YOU REQUESTED A WAIVER OF ANTI-SLAMMING REGULATIONS?

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- 11 A. The notice of the change in carrier discussed above attempts to take into account all
 12 relevant notification requirements applicable to the transaction. Out of an abundance of
 13 caution, the Applicants are requesting this wavier from any anti-slamming regulations
 14 that may be violated by this transfer being made without the specific authorization and
 15 verification of each affected customer.
- 16 O. IS THE APPROVAL OF THIS TRANSACTION IN THE PUBLIC INTEREST?
- 17 A. Yes, it is. The proposed transaction will promote competition in the telecommunications 18 market by providing Matrix the opportunity to strengthen its competitive position. Matrix 19 will realize significant economic and marketing efficiencies which will increase its ability 20 to provide high quality, low cost services and to compete more effectively in the 21 marketplace. Matrix will be able to take advantage of the economies of scale as a result 22 of its increase in size which will enable Matrix to introduce new products and services 23 over time. From the perspective of affected customers, the transfer is transparent, leaving 24 unaltered the quality of service they expect. South Carolina consumers will benefit from

- improved services and competitive rates as a result of the promotion of competition in the
- 2 market.
- 3 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 4 A. Yes, it does.

VERIFICATION

I, Dennis Smith, first being duly sworn upon oath, depose and say that I am authorized to represent Matrix Telecom, Inc.; that I have read the above and foregoing-pre-filed testimony and know the contents; that the contents are true and correct to the best of my knowledge and belief.

Matrix Telecom, Inc.

Dennis Smith, President

Subscribed and sworn to before me

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Notary Public for _

My Commission Expires:

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA DOCKET NO. 2005-75-C

Joint Application of)
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Matrix Telecom, Inc.; and Global Crossing)
Telecommunicatons,Inc.; Global Crosssing) CERTIFICATE OF SERVICE
Local Services, Inc.; And Global Crossing)
Telemanagement Inc. for Expedited Approval)
of the Transfer of Certain Assets and a)
Waiver of Applicable Anti-Slamming)
Regulations)

This is to certify that I, Mary F. Cutler, a legal assistant with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the persons named below the Matrix Telecom, Inc.'s Motion for Expedited Review of the Application in the foregoing matter by placing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

Jeffrey Marks, Esquire Latham & Watkins 555 Eleventh Street, N.W., Suite 1000 Washington, DC 20004-1304

Michael J. Shortley, III
General Counsel - North America
Global Crossing Telecommunications, Inc
1080 Pittsford-Victor Road
Pittsford, NY 14534

Florence P. Belser, General Counsel Office of Regulatory Staff Post Office Box 11263 Columbia, SC 29211

Dan F. Arnett, Chief of Staff Office of Regulatory Staff 1441 Main Street, 3rd Floor Columbia, SC 29201

Dated at Columbia, South Carolina this 29th day of August, 2005.

Mary F. Cytler